

**ADVANCE BATON ROUGE
BATON ROUGE, LOUISIANA**

June 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **FEB 01 2012**

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INDEPENDENT AUDITOR'S REPORT

Members of the Finance Committee and Board of Directors
Advance Baton Rouge

We have audited the accompanying statements of financial position of Advance Baton Rouge (ABR) as of June 30, 2011 and 2010, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the ABR's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Advance Baton Rouge as June 30, 2011 and 2010, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2012, on our consideration of ABR's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Continued...

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Advance Baton Rouge, taken as a whole. The accompanying supplemental information, combining schedule of financial position, page 13, the combining schedule of activities, page 14, and the combining schedule of cash flows, page 15 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the accounting and other records used to prepare the financial statements. Also, the accompanying supplemental schedule of expenditures of federal awards on page 16 is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.


January 9, 2012

ADVANCE BATON ROUGE
STATEMENTS OF FINANCIAL POSITION
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,477,794	\$ 4,073,898
Grants and other receivables	2,956,053	1,609,682
Prepaid expenses	<u>151,398</u>	<u>72,881</u>
	4,585,245	5,756,461
 FIXED ASSETS		
Property and equipment	4,013,884	473,649
Less accumulated depreciation	<u>675,162</u>	<u>116,063</u>
	3,338,722	357,586
 OTHER ASSETS		
Deposits	<u>-</u>	<u>95,000</u>
	<u>\$ 7,923,967</u>	<u>\$ 6,209,047</u>
 LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 942,330	\$ 888,652
Accrued salaries and benefits	1,023,487	785,953
Accrued compensated absences	180,270	62,385
Accrued expenses - other	315,783	218,077
Deferred revenue	35,412	606,831
Other liabilities - student activities	<u>19,680</u>	<u>17,626</u>
	2,516,962	2,579,524
 NET ASSETS		
Unrestricted	<u>5,407,005</u>	<u>3,629,523</u>
	<u>\$ 7,923,967</u>	<u>\$ 6,209,047</u>

See accompanying notes

ADVANCE BATON ROUGE
STATEMENT OF ACTIVITIES
Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
SUPPORT AND REVENUE		
Local Sources		
Minimum Foundation Program	\$ 7,961,944	\$ 9,085,764
Contributions and grants	347,001	146,628
Fees	-	1,200
Other	219,052	53,029
Total local sources	<u>8,527,997</u>	<u>9,286,621</u>
State Sources		
Minimum Foundation Program	5,823,054	7,277,561
Grants	255,456	179,774
Total state sources	<u>6,078,510</u>	<u>7,457,335</u>
Federal Sources		
Grants	5,410,474	5,703,962
E-Rate	2,518,171	-
Total federal sources	<u>7,928,645</u>	<u>5,703,962</u>
Total revenues	<u>22,535,152</u>	<u>22,447,918</u>
EXPENSES		
Instructional Programs		
Regular education	6,691,920	6,116,988
Special education	1,520,039	1,415,945
Other education	708,468	689,047
Total instructional programs	<u>8,920,427</u>	<u>8,221,980</u>
Support Services		
Pupil support services	865,344	838,303
Instructional staff services	2,095,019	1,633,845
School administration	2,593,116	2,648,875
General administration	368,088	355,236
Business services	499,536	746,214
Operations and maintenance	3,333,666	3,596,065
Central services	441,567	506,373
Non-instructional services	1,081,808	406,479
Depreciation	559,099	97,439
Total support services	<u>11,837,243</u>	<u>10,828,829</u>
Total expenses	<u>20,757,670</u>	<u>19,050,809</u>
Change in net assets	1,777,482	3,397,109
Net assets - beginning of year	3,629,523	-
Net assets received in spin-off from AIE	-	232,414
Net assets - end of year	<u>\$ 5,407,005</u>	<u>\$ 3,629,523</u>

See accompanying notes

ADVANCE BATON ROUGE
STATEMENT OF CASH FLOWS
Years ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,777,482	\$ 3,397,109
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Noncash capital contributions and grants	(2,640,334)	-
Depreciation	559,099	97,439
Decrease (increase) in:		
Grants and other receivables	(1,346,371)	(567,842)
Prepaid expenses	(78,517)	(38,405)
Increase (decrease) in:		
Accounts payable	53,678	597,712
Accrued expenses	97,706	(77,075)
Accrued salaries, benefits, and compensated absences	355,420	384,502
Deferred revenue	(571,419)	265,900
	<u>(3,570,738)</u>	<u>662,231</u>
Net cash provided by (used in) operating activities	(1,793,256)	4,059,340
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(899,902)	(330,094)
Deposits applied	95,000	-
Net cash used in investing activities	(804,902)	(330,094)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment on short-term loans	-	(200,000)
Increase in student activity funds	2,054	3,658
Net cash provided by (used in) financing activities	<u>2,054</u>	<u>(196,342)</u>
NET INCREASE (DECREASE) IN CASH	(2,596,104)	3,532,904
Cash - beginning of year	4,073,898	-
Cash received in spin-off from AIE	-	540,994
Cash - end of year	<u>\$ 1,477,794</u>	<u>\$ 4,073,898</u>

See accompanying notes

ADVANCE BATON ROUGE
NOTES TO FINANCIAL STATEMENTS
Year ended June 30, 2011

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Advance Baton Rouge (ABR), a nonprofit corporation, with offices in Baton Rouge was formed in 2009 in a spinoff of a nonprofit entity previously organized by several community interest groups to address the area's educational inequities and low achievement rates. ABR's current mission is to create schools of academic excellence by increasing teacher quality and raising student achievement. The original entity, now called Advance Innovative Education, was formed in 2005 to bring systemic change to area public education systems through community partnerships transforming schools into social enterprises.

The Louisiana State Board of Elementary and Secondary Education (BESE) has issued to Advance Baton Rouge Type 5 charters to operate public schools in East Baton Rouge and Pointe Coupee parish as follows:

- **Glen Oaks Middle School** – ABR began operating the school in the 2008-2009 school year. The school serves approximately 260 students in grades 6 through 8.
- **Prescott Middle School** – ABR began operating the school in the 2008-2009 school year. The school serves approximately 270 students in grades 6 through 8.
- **Pointe Coupee Central High School** – ABR began operating the school in the 2008-2009 school year. The school serves approximately 300 students in grades 6 through 12.
- **Dalton Elementary** – ABR began operating the school in the 2009-2010 school year. The school serves approximately 380 students in Pre-Kindergarten through 5th grade.
- **Lanier Elementary** – ABR began operating the school in the 2009-2010 school year. The school serves approximately 400 students in Pre-Kindergarten through 5th grade.

Advance Baton Rouge contracts with 4th Sector Solutions, Inc. to provide certain services related to the operation of the charter schools.

Basis of presentation

Financial statement presentation follows the guidance in the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) 985-205, *Financial Statements of Not-for-Profit Organizations*. Under FASB ASC 985-205, ABR is required to report information regarding its financial position and activities under three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets are resources that are free of donor-imposed or time restrictions and are available at the discretion

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

of the governing board. Temporarily restricted net assets are resources that are limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of ABR pursuant to those stipulations. Permanently restricted net assets are those resources whose use by ABR is limited to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled and removed by actions of ABR. Advance Baton Rouge does not have any temporarily restricted or permanently restricted net assets.

Basis of accounting – revenue and expense recognition

ABR prepares its financial statements on an accrual basis and in accordance with accounting principles generally accepted in the United States of America.

Grants and contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. ABR reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for the future periods. When donor restrictions expire, that is, when the stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Revenues from governmental grants are generally recognized as allowable expenditures are made.

Revenues received that pertain to future periods or for which the required expenditures have not been made are deferred and recognized as revenue in the applicable period.

Expenses including advertising are recorded when incurred in accordance with the accrual basis of accounting.

Minimum Foundation Program – The charter schools, as Type 5 charters, receive a majority of their funding from BESE based on the number of students enrolled at the schools on specified count days in the fall and spring. Per pupil allocations are funded directly from the State of Louisiana and through the parish in which the school is located at rates based upon available revenues of the respective taxing authorities.

Receivables and bad debts

Account receivable balances are examined periodically to determine whether they are reasonably collectible based on current information. If there is a significant risk that a particular receivable may not be collectible then ABR records an allowance for bad debts for the portion it deems to be potentially uncollectible.

Management believes that receivables at June 30, 2011, are collectible in full, and thus no allowance for bad debts has been provided in the financial statements.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income tax status

ABR is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and applicable state statutes.

ABR applies the standards in FASB ASC 740-10 in accounting for uncertainty in income taxes. ABR files a United States return of organization exempt from income tax. ABR's returns for 2009, 2010 and 2011 are subject to examination by the Internal Revenue Service.

Property and equipment

Property and equipment is carried at cost or, if donated, at the approximate fair value at the date of donation less accumulated depreciation. Depreciation is computed using the straight-line method over useful lives as follows:

Leasehold improvements	10 -30 years or life of the lease/charter
Furniture & fixtures	5 years
Equipment & software	3 years

When property is retired or otherwise disposed of, the accounts are relieved of the applicable cost and accumulated depreciation and any resulting gain or loss is reflected in revenue. Major additions are capitalized, and charges for maintenance and repairs are charged to expense as paid.

Gifts of noncash items

Noncash gifts and donations are recorded as contributions at their fair values at the date of the donation.

Donated services

Donated services are recognized as contributions in accordance with FASB ASC 958-605, *Revenue Recognition for Not-for-Profit Entities*. Services are recognized that either (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ABR. Such services are generally acquired from third party providers by ABR. Many individuals volunteer their time and perform a variety of tasks that assist ABR in the performance of its educational activities; however, these services are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC 958-605 were not met.

A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accrued compensated absences

Full time employees are entitled to paid time off (PTO) at rates that vary based on the type of employee. Included in accrued salaries and benefits is a provision for the unused PTO attributable to all eligible employees at the employee's current rate of pay.

Cash

For the purpose of the statement of cash flows, cash includes all savings, checking and money market accounts.

Functional expenses

Certain expenses are charged directly to functional classifications. Other expenses are allocated between instructional services and support services based upon estimates of staff time spent on each function or other appropriate allocation bases.

B: CONCENTRATION OF CREDIT RISK

ABR maintains its cash in bank deposit accounts which, at times, may exceed the federally insured deposit limits.

ABR receives the majority of its revenue under the state and local funding provisions for Type 5 charter schools in Louisiana. Changes to laws and regulations governing these programs and available funding may have a significant effect on ABR's financial condition.

Contributions, grants receivable and promises to give are principally due from various government agencies, institutional donors and grantors. The concentration of payment risk is not significant because realization of the amounts is dependent primarily upon the financial strength of various government entities, schools and foundations.

C: PROPERTY AND EQUIPMENT

The following is a summary of property and equipment at June 30, 2011 and 2010,

	2011	2010
Leasehold improvements	\$ 1,070,177	\$ 10,235
Furniture & fixtures	176,721	119,272
Equipment	2,658,360	281,861
Software	108,626	62,281
	4,013,884	473,649
Less accumulated depreciation	(675,161)	(116,063)
Fixed assets, net	\$ 3,338,723	\$ 357,586

C: PROPERTY AND EQUIPMENT (continued)

Depreciation expense for the year ending June 30, 2011 and 2010, was \$559,099 and \$97,439, respectively.

D: LEASES

ABR leases office space under an arrangement accounted for as an operating lease that was effective November 20, 2009, and has an initial term of 12 months. The original lease called for ABR to pay an annual rent of \$19,000 for the initial 12 month period. The lease automatically renews for two, one-year periods unless terminated by ABR with 90-days notice. Effective March, 2011, ABR increased the amount of office space under lease. Rent expense related to this lease amounted to \$26,474 and \$12,667 in fiscal 2011 and 2010, respectively.

Future minimum lease payments under the non-cancelable lease are as follows:

Fiscal Year	Amount
<u>June 30,</u>	
2012	\$11,043

As part of the charter agreements, ABR's school facilities, to be used for its educational programs are provided by the respective parish school systems at no cost other than for utilities, maintenance and routine operating costs.

E: RETIREMENT

ABR's charter schools participate in the Teachers' Retirement System of Louisiana (TRSL). TRSL is a governmental defined benefit plan qualified under Section 401(a) of the Internal Revenue Code. It was founded on August 1, 1936, as a public trust fund to provide retirement benefits for its members. TRSL is the state's largest public retirement system with 160,000 active and retired members. Individual participation in this retirement program is primarily based on meeting eligibility requirements defined by TRSL. For the 2010-2011 school year, individuals that were eligible to participate contributed 8% of their eligible compensation. ABR's contributions to the system were 20.2% of employees' eligible compensation. For the 2011 and 2010 school year, ABR recorded TRSL related expenses of \$1,772,056 and \$859,361, respectively.

ABR remits contributions monthly to TRSL. As of June 30, 2011 and 2010, ABR's outstanding liabilities to TRSL included in the financial statements were \$365,218 and \$133,428, respectively. Such funds were remitted to TRSL subsequent to June 30, 2011.

F: GRANTS AND OTHER RECEIVABLES

Grants and other receivables at June 30, 2011 and 2010, are as follows:

	2011	2010
U.S. Department of Education and other Federal		
Title IA	\$ 238,702	\$ 439,269
Title IIA	-	52,932
School Improvements	-	202,781
IDEA	94,505	275,629
1003g - ARRA	753,580	-
Food Service	95,389	-
TIF	1,059,494	-
PCSP	191,900	333,721
Education Jobs	232,264	-
Other Federal	6,287	54,919
Total	2,672,121	1,359,251
State and Other		
State of Louisiana	246,022	183,386
Other grants/receivables	18,000	45,860
Total	264,022	229,246
Other - food service	19,910	21,185
Total grants and other receivables	\$ 2,956,053	\$ 1,609,682

G: DEFERRED REVENUES

ABR defers revenues when it receives funds that have not been earned. During the 2011 and 2010 school year, the schools received state and local MFP funds based on estimated local tax collections and enrollment numbers, among other things. The Louisiana Department of Education requires that any funds received in excess of the final calculated funding for a school year be applied as reductions of future entitlements.

As of June 30, 2011 and June 30, 2010, ABR deferred \$35,412 and \$606,831 of revenues, respectively, primarily related to final determinations of MFP entitlements.

H: SUBSEQUENT EVENTS

In December 2011, the Recovery School District (RSD) and Advance Baton Rouge entered into a Memorandum of Understanding that facilitates the phasing out of ABR as a charter management organization for Glen Oaks Middle School, Prescott Middle School, Pointe Coupee Central High

H: SUBSEQUENT EVENTS (continued)

School, Dalton Elementary School and Lanier Elementary School over an 18 month period beginning January 1, 2012. Between January 1, 2012 and June 30, 2012, ABR and the RSD will jointly operate Prescott Middle School and Pointe Coupee Central High School. Beginning July 1, 2012, the RSD will be the sole operator of these two schools. Between January 1, 2012 and June 30, 2013, ABR and the RSD will jointly operate Glen Oaks Middle School, Dalton Elementary School and Lanier Elementary School. Beginning July 1, 2013, the RSD will be the sole operator of these three schools. ABR and the RSD are currently working together on a detailed dissolution plan in accordance with these timelines. As part of this process, substantially all of ABR's capital assets will be transferred to the RSD as the RSD assumes sole operational responsibility of each school.

Unless ABR redirects its mission and develops new funding, it may be unable to continue as a going concern after all its schools and the associated public funding is transferred to the RSD and transition is completed in the year ending June 30, 2014.

Subsequent events were evaluated through January 9, 2012, which is the date the financial statements were available to be issued.

I: CONTINGENCIES

Advance Baton Rouge is a defendant in several lawsuits for unspecified damages as a result of the organization's alleged failure to supervise. In addition several claims have been made involving similar allegations and wrongful termination. Management intends to vigorously defend these lawsuits and claims but is unable to evaluate the outcome of the matters or estimate the amount of any liabilities that may result from unfavorable resolutions.

Federal and State assistance programs represent an important source of funding for ABR. Federal programs are audited annually in accordance with the "Single Audit Act". However, grantor agencies may conduct or require further examinations. Based upon prior experience, management believes that further examination would not result in any significant disallowed costs.

J: RESTRUCTURING TRANSACTION

Effective July 1, 2009, Advance Innovative Education (formerly called Advance Baton Rouge) spun-off its charter school related assets and liabilities into a newly formed entity which retains the name, Advance Baton Rouge. The financials included in this report are those of the newly formed ABR only.

J: RESTRUCTURING TRANSACTION (continued)

Assets and liabilities were primarily separated based upon which entity generated the assets or incurred the liabilities. New ABR received approximately \$1.837 million in total assets and assumed liabilities and debts of \$1.605 million. As a result, net assets of \$232,414 were transferred to the new ABR on July 1, 2009, along with the charters and associated contracts to operate the five schools. Advance Innovative Education (AIE) assumed all liabilities and claims that are covered by any insurance policies issued to ABR prior to the split including but not limited to the Travelers Property Casualty Company of America insurance policy.

As part of the transition, the new ABR agreed to pay AIE \$11,000 per month for three months for transition services plus approximately \$18,000 for four professional development courses.

SUPPLEMENTAL INFORMATION

ADVANCE BATON ROUGE
COMBINING SCHEDULE OF FINANCIAL POSITION
Year ended June 30, 2011

	Dalton	Lanier	Glen Oaks	Prescott	Pointe Coupee	Total
ASSETS						
Cash	\$ (172,424)	\$ 421,223	\$ 522,549	\$ 1,067,701	\$ (361,255)	\$ 1,477,794
Grants and other receivables	768,473	528,396	673,211	393,067	592,906	2,956,053
Prepaid expenses	40,134	34,921	27,463	25,422	23,458	151,398
Property and equipment, net	570,492	780,298	725,414	731,119	531,399	3,338,722
Deposits	<u>\$ 1,206,675</u>	<u>\$ 1,764,838</u>	<u>\$ 1,948,637</u>	<u>\$ 2,217,309</u>	<u>\$ 786,508</u>	<u>\$ 7,923,967</u>
LIABILITIES						
Accounts payable	\$ 205,387	\$ 204,367	\$ 194,838	\$ 156,571	\$ 181,167	\$ 942,330
Accrued salaries and benefits	218,305	228,185	202,257	188,025	186,715	1,023,487
Accrued compensated absences	46,014	31,498	28,847	48,107	25,804	180,270
Accrued expenses - other	91,589	94,486	45,826	39,491	44,391	315,783
Deferred revenue	-	5,464	10,926	10,926	8,096	35,412
Other liabilities - student activities	4,002	3,336	6,530	2,359	3,453	19,680
	<u>\$ 565,297</u>	<u>\$ 567,336</u>	<u>\$ 489,224</u>	<u>\$ 445,479</u>	<u>\$ 449,626</u>	<u>\$ 2,516,962</u>
NET ASSETS						
Unrestricted	641,378	1,197,502	1,459,413	1,771,830	336,882	5,407,005
	<u>\$ 1,206,675</u>	<u>\$ 1,764,838</u>	<u>\$ 1,948,637</u>	<u>\$ 2,217,309</u>	<u>\$ 786,508</u>	<u>\$ 7,923,967</u>

ADVANCE BATON ROUGE
COMBINING SCHEDULE OF ACTIVITIES
Year ended June 30, 2011

	Dalton	Lanier	Glen Oaks	Prescott	Pointe Coupee	Total
SUPPORT AND REVENUE						
Local Sources						
Minimum Foundation Program	\$ 1,810,992	\$ 1,934,207	\$ 1,442,014	\$ 1,443,256	\$ 1,331,475	\$ 7,961,944
Contributions and grants	-	323,001	6,000	8,000	10,000	347,001
Other	29,019	29,390	39,150	40,584	80,909	219,052
Total local sources	1,840,011	2,286,598	1,487,164	1,491,840	1,422,384	8,527,997
State Sources						
Minimum Foundation Program	1,269,148	1,363,293	978,900	984,137	1,227,578	5,823,054
Grants	76,148	94,087	29,173	28,703	27,345	255,456
Total state sources	1,345,294	1,457,380	1,008,073	1,012,840	1,254,923	6,078,510
Federal Sources						
Grants	1,450,232	1,099,005	1,104,493	705,666	1,051,078	5,410,474
E-Rate	409,050	464,023	594,461	656,674	393,953	2,518,171
Total federal sources	1,859,282	1,563,028	1,698,954	1,362,340	1,445,041	7,928,645
Total revenues	5,044,587	5,307,006	4,194,191	3,867,020	4,122,348	22,535,152
EXPENSES						
Instructional Programs						
Regular education	1,992,255	1,437,582	1,216,230	1,167,863	1,177,990	6,691,920
Special education	110,297	277,077	480,110	295,007	357,548	1,520,039
Other education	297,772	182,618	49,650	57,328	121,100	708,468
Total instructional programs	2,100,324	1,897,277	1,745,990	1,520,198	1,656,638	8,920,427
Support Services						
Pupil support services	220,098	181,785	119,672	115,541	228,248	865,344
Instructional staff services	496,888	417,399	440,328	405,618	334,786	2,095,019
School administration	557,006	555,198	495,495	491,195	494,222	2,593,116
General administration	87,774	71,819	79,737	68,913	59,845	368,088
Business services	124,361	107,367	107,187	93,472	67,149	498,536
Operations and maintenance	517,506	657,037	753,204	593,156	812,763	3,333,666
Central services	109,220	89,079	93,816	84,598	64,854	441,567
Non-instructional services	275,241	293,801	191,638	159,139	161,989	1,081,808
Depreciation	79,118	131,534	119,425	113,710	115,312	559,099
Total expenses	4,567,536	4,402,296	4,146,492	3,645,540	3,995,806	20,757,670
Change in net assets	477,051	904,710	47,899	221,480	126,542	1,777,482
Net assets - beginning of year	184,327	292,792	1,411,714	1,550,350	210,340	3,629,523
Net assets - end of year	\$ 641,378	\$ 1,197,502	\$ 1,459,413	\$ 1,771,830	\$ 336,882	\$ 5,407,005

ADVANCE BATON ROUGE
COMBINING SCHEDULE OF CASH FLOWS
Year ended June 30, 2011

	Dalton	Lanier	Glen Oaks	Prescott	Pointe Coupee	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Change in net assets	\$ 477,051	\$ 904,710	\$ 47,699	\$ 221,480	\$ 126,542	\$ 1,777,482
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:						
Non cash contributions and grants	(374,729)	(678,536)	(573,577)	(638,068)	(375,424)	(2,640,334)
Depreciation	79,118	131,534	119,425	113,710	115,312	559,099
Decrease (increase) in:						
Grants and other receivables	(486,736)	(213,174)	(282,441)	(27,220)	(336,800)	(1,346,371)
Prepaid expenses	(30,181)	(25,359)	(14,456)	(12,668)	4,147	(78,517)
Increase (decrease) in:						
Accounts payable	42,245	(22,110)	40,350	14,464	(21,271)	53,678
Accrued expenses	51,728	54,116	(7,823)	(17,494)	17,179	97,706
Accrued salaries, benefits, and compensated absences	68,581	115,516	54,984	66,118	50,221	355,420
Deferred revenue	(82,110)	(59,989)	(130,904)	(98,745)	(199,671)	(571,419)
Net cash provided by (used in) operating activities	<u>(255,033)</u>	<u>206,708</u>	<u>(746,743)</u>	<u>(378,423)</u>	<u>(619,765)</u>	<u>(1,793,256)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property and equipment	(174,111)	(172,888)	(219,774)	(111,940)	(221,189)	(899,902)
Deposits applied	-	-	25,000	25,000	45,000	95,000
Net cash used in investing activities	<u>(174,111)</u>	<u>(172,888)</u>	<u>(194,774)</u>	<u>(86,940)</u>	<u>(176,189)</u>	<u>(804,902)</u>
CASH FLOWS FROM FINANCING ACTIVITIES						
Increase (decrease) in student activity funds	3,740	3,336	3,530	(1,142)	(7,410)	2,054
Net cash provided by (used in) financing activities	<u>3,740</u>	<u>3,336</u>	<u>3,530</u>	<u>(1,142)</u>	<u>(7,410)</u>	<u>2,054</u>
NET INCREASE (DECREASE) IN CASH	<u>(425,404)</u>	<u>37,156</u>	<u>(937,987)</u>	<u>(466,505)</u>	<u>(803,364)</u>	<u>(2,596,104)</u>
Cash - beginning of year	252,980	384,067	1,460,536	1,534,206	442,109	4,073,898
Cash - end of year	<u>\$ (172,424)</u>	<u>\$ 421,223</u>	<u>\$ 522,549</u>	<u>\$ 1,067,701</u>	<u>\$ (361,255)</u>	<u>\$ 1,477,794</u>

ADVANCE BATON ROUGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended June 30, 2011

<u>FEDERAL GRANTOR/ PASS THROUGH GRANTOR PROGRAM TITLE</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT YEAR END</u>	<u>PROGRAM OR AWARD AMOUNT</u>	<u>REVENUE RECOGNIZED</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
U.S. Department of Education Passed through Louisiana State Department of Education:					
Title IA Grants to Local Educational Agencies	84.010	06/30/11	\$ 863,457	\$ 861,358	\$ 861,358
Individuals with Disabilities Education Act	84.027	06/30/11	461,052	461,052	461,052
Individuals with Disabilities Education Act, Pre-K	84.173	06/30/11	585	585	585
Public Charter School Program	84.282A	07/31/11	1,800,000	600,000	600,000
Title IV-B Twenty First Century Community Learning Centers	84.287	12/31/10	17,615	17,615	17,615
Title IIA Improving Teacher Quality	84.367	06/30/11	187,725	187,725	187,725
ROTC		06/30/11	36,013	36,013	36,013
American Recovery and Reinvestment Act (ARRA)					
Title IA Grants to Local Educational Agencies	84.389	09/30/10	604,232	3,452	3,452
Title IID Educational Technology Grants to Local Educational Agencies	84.386	09/30/10	20,188	20,173	20,173
Title I School Improvement Grants to Local Educational Agencies	84.388	06/30/13	2,007,567	1,003,784	1,003,784
Educational Jobs Fund	84.410A	06/30/11	272,290	272,290	272,290
U.S. Department of Education Passed through Louisiana State Department of Education & the National Institute for Excellence in Teaching:					
Teacher Incentive Fund (B)	84.374A	09/30/15	13,300,000	1,059,494	1,059,494
U.S. Department of Agriculture					
National School Breakfast & Lunch Programs	10.555 / 10.553	06/30/11	887,496	887,496	887,496
Total Federal Awards			\$ 20,458,220	\$ 5,411,037	\$ 5,411,037

Note The schedule above is prepared using accrual basis of accounting. This information is presented in accordance with the requirement of OMB Circular A-133, Audits of State, Local Government, and NonProfit Organizations. Therefore, the amounts presented on the schedule may differ from amounts presented in the basic financial statements.

Note B: Award Amount represents funds for both ABR and the National Institute of Educational Reforms. ABR is a subrecipient on this grant.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Board of Directors
Advance Baton Rouge

We have audited the financial statements of Advance Baton Rouge, as of and for the year ended June 30, 2011, and have issued our report thereon dated January 9, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Advance Baton Rouge's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Advance Baton Rouge's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Advance Baton Rouge's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of Advance Baton Rouge's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Advance Baton Rouge's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regu-

lations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management and governing body of Advance Baton Rouge, the Louisiana State Department of Education, the Legislative Auditor and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana R. S. 24:512, this report is distributed by the Legislative Auditor as a public document.

L.A. Champagne & Co. L.L.C.
January 9, 2012

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Directors
Advance Baton Rouge

Compliance

We have audited Advance Baton Rouge's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. Advance Baton Rouge's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Advance Baton Rouge's management. Our responsibility is to express an opinion on Advance Baton Rouge's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Advance Baton Rouge's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Advance Baton Rouge's compliance with those requirements.

In our opinion, Advance Baton Rouge complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

Management of Advance Baton Rouge is responsible for establishing and maintaining effective

internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Advance Baton Rouge's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Advance Baton Rouge's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of management and the board of Advance Baton Rouge, the Louisiana State Department of Education, the Legislative Auditor, and federal awarding agencies and it is not intended to be and should not be used by anyone other than these specified parties.

 L. H. Champagne & Co. LLP
January 9, 2012

ADVANCE BATON ROUGE
SUMMARY OF AUDIT RESULTS AND
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2011

A: SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Advance Baton Rouge.
2. No significant deficiencies in internal controls relating to the audit of the financial statements are reported in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *"Governmental Auditing Standards."*
3. No instances of noncompliance material to the financial statements of Advance Baton Rouge were disclosed during the audit.
4. No significant deficiencies in internal controls over compliance with requirements applicable to major federal award programs are reported in the "Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133."
5. The auditor's report on compliance for the major federal award programs for Advance Baton Rouge expresses an unqualified opinion.
6. Audit findings relative to the major federal award programs for Advance Baton Rouge are reported in Part C of this Schedule.
7. The programs tested as a major program are as follows:
 - U.S. Department of Education
 - Teacher Incentive Fund; CFDA#84.374A
 - Educational Jobs Fund; CFDA#84.410A
 - U.S. Department of Education
 - ARRA – American Recovery and Reinvestment Act
 - Educational Technology Grant; CFDA#84.386
 - School Improvement Grant; CFDA#84.388
 - U.S. Department of Agriculture
 - National School Breakfast Program; CFDA#10.553
 - National School Lunch Program; CFDA#10.555

8. The threshold for distinguishing Types A and B programs was \$300,000, except that all American Recovery and Reinvestment Act programs were classified as Type A.
9. Advance Baton Rouge was determined not to be a low-risk auditee, because this is the second year a single audit under OMB Circular A-133 was required.

B: FINDINGS - FINANCIAL STATEMENTS AUDIT

There were no findings that are required to be reported in this section of the report.

C: FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAM AUDIT

There are no findings that are required to be reported in this section of the report.

**ADVANCE BATON ROUGE
SCHEDULE OF CORRECTIVE ACTION TAKEN
ON PRIOR YEAR FINDINGS**

Year Ended June 30, 2011

None required

**ADVANCE BATON ROUGE
MANAGEMENT'S CORRECTIVE ACTION PLAN**
Year Ended June 30, 2011

None required

ADVANCE BATON ROUGE
INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
FOR THE YEAR ENDED JUNE 30, 2011

L.A. CHAMPAGNE & Co.
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**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors
Advance Baton Rouge

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Advance Baton Rouge (ABR), operator of the Glen Oaks Middle Charter School, Prescott Middle Charter School, Pointe Coupee Central High Charter School, Dalton Elementary Charter School, Lanier Elementary Charter School, and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of ABR and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE). Management of ABR is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

*General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources (Schedule 1)*

1. We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenue are classified correctly and are reported in the proper amounts in ABR's general ledger and that general ledger accounts are properly classified with the following categories:

- Total general fund instructional expenditures
- Total general fund equipment expenditures
- Total local taxation revenue
- Total local earnings on investment in real property
- Total state revenue in lieu of taxes
- Nonpublic textbook revenue
- Nonpublic transportation revenue

No differences noted.

Education Levels of Public School Staff (Schedule 2)

2. We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this schedule and to ABR's supporting payroll records as of October 1, 2010.

No differences noted.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

Education Levels of Public School Staff (Schedule 2), continued

3. We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this schedule.

No differences noted.

4. We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1, 2010, and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's education level was properly classified on the schedule.

No differences noted.

Number and Type of Public Schools (Schedule 3)

5. We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the Title I Grants to Local Educational Agencies (CFDA 84.010) application.

No differences noted.

Experience of Public Principals and Full-Time Classroom Teachers (Schedule 4)

6. We obtained a list of full-time teachers, principals and assistant principals by classification as of October 1, 2010, and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

No differences noted.

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES (CONTINUED)

PROCEDURES AND FINDINGS, CONTINUED

Public School Staff Data: Average Salaries (Schedule 5)

7. We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

No differences noted.

8. We recalculated the average salaries and full-time equivalents reported by ABR in Schedule 5, and found that the recalculated amounts agreed to those reported in the schedule. However, the following data was reported by the Louisiana Department of Education's report of "Actual - Average Teachers' Salaries for 2010-2011."

School Year	LEA	School Agency	Head Count	All Classroom Teachers excluding reported/projected sabbaticals			Classroom Teachers Excluding All ROTC, Rehires, Salary Reductions, and Sabbaticals		
				Full-Time Equivalent (FTE)	Avg Classroom Teachers Salary With Extra Compensation	Avg Classroom Teachers Salary Without Extra Compensation	Full-Time Equivalent (FTE)	Teachers Salary With Extra Compensation	Teachers Salary Without Extra Compensation
2010-2011	377	RSD - ADVANCE Baton Rouge	108	106	46,500	46,500	105	46,200	46,200

We were unable to verify the calculations above as reported by the Louisiana Department of Education since we did not have knowledge of or access to the data used in their calculation.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

Class Size Characteristics (Schedule 6)

9. We obtained a list of classes by school, school type and class size as reported on the schedule and reconciled school type classifications to schedule 3 data as obtained in procedure 5. We then traced a random sample of 10 classes to the October 1, 2010, roll books for those classes to determine if the class was properly classified on the schedule.

For eight of the classes selected, teacher roll books from October 1, 2010, were obtained, and we verified that the class size data used in computing Schedule 6 agreed to information in the teacher roll books.

For two of the classes selected, electronic roll books maintained in the guidance counselor's office were obtained, and we verified that the class size data used in computing Schedule 6 agreed to information in the electronic roll books.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

10. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ABR.

No differences noted.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

Graduation Exit Exam (GEE) (Schedule 8)

11. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ABR.

No differences noted.

iLEAP Test (Schedule 9)

12. We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by ABR.

No differences noted.

**INDEPENDENT ACCOUNTANT'S REPORT
ON
APPLYING AGREED-UPON PROCEDURES
(CONTINUED)**

PROCEDURES AND FINDINGS, CONTINUED

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Advance Baton Rouge, the Louisiana Department of Education, the Louisiana Recovery School District, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.


January 15, 2012

**ADVANCE BATON ROUGE
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514-
PERFORMANCE AND STATISTICAL DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011**

Schedule 1- General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, and revenue in lieu of taxes. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% expenditure requirement report.

Schedule 2- Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph.D. or Ed.D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3- Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4- Experience of Public Principals and Full-Time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

**ADVANCE BATON ROUGE
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514-
PERFORMANCE AND STATISTICAL DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011**

Schedule 5- Public School Staff Data: Average Salaries

This schedule includes average classroom teachers' salaries using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6- Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20; 21-26; 27-33 and 34+ students. This data is currently reported to the Legislature in the Annual School Report (ASR).

Schedule 7- Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as advanced, proficient, basic, approaching basic and unsatisfactory. This schedule includes data for the 2011, 2010 and 2009 school years.

Schedule 8- Graduation Exit Exam (GEE)

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as advanced, proficient, basic, approaching basic and unsatisfactory. This schedule includes data for the 2011, 2010 and 2009 school years.

**ADVANCE BATON ROUGE
SCHEDULES REQUIRED BY STATE LAW (R.S. 24:514-
PERFORMANCE AND STATISTICAL DATA)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2011**

Schedule 9- iLEAP Tests

This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes three years of data. This schedule includes data for the 2011, 2010 and 2009 school years. The iLEAP test was not administered for grade 9 students in 2011.

**Advance Baton Rouge
Baton Rouge, Louisiana**

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2011**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 5,446,974	
Other Instructional Staff Activities	909,173	
Instructional Staff Employee Benefits	1,724,551	
Purchased Professional and Technical Services	292,198	
Instructional Materials and Supplies	363,450	
Instructional Equipment	286,256	
Total Teacher and Student Interaction Activities		\$ 9,022,602

Other Instructional Activities

Pupil Support Services	809,234	
Less: Equipment for Pupil Support Services	-	
Net Pupil Support Services		809,234

Instructional Staff Services	2,127,819	
Less: Equipment for Instructional Staff Services	-	
Net Instructional Staff Services		2,127,819

School Administration	2,483,774	
Less: Equipment for School Administration	-	
Net School Administration		2,483,774

Total General Fund Instructional Expenditures (Total of Column B) \$ 14,443,429

Total General Fund Equipment Expenditures (Object 730; Function 1000-4000) \$ 286,256

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	-
Sales and Use Taxes	-
Total Local Taxation Revenue	\$ -

Local Earnings on Investment in Real Property:

Earnings from 16th Section Property	-
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	\$ -

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	\$ -

Nonpublic Textbook Revenue	\$ -
Nonpublic Transportation Revenue	\$ -

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Education Levels of Public School Staff
As of October 1, 2010**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than Bachelor's	1	0.90%	1	100.00%	0	0.00%	0	0.00%
Bachelor's	84	72.41%	0	0.00%	0	0.00%	0	0.00%
Master's	22	18.97%	0	0.00%	5	55.56%	0	0.00%
Master's + 30	6	5.17%	0	0.00%	2	22.22%	0	0.00%
Specialist in Education	1	0.90%	0	0.00%	0	0.00%	0	0.00%
Ph.D. or Ed.D.	2	1.65%	0	0.00%	2	22.22%	0	0.00%
Total	116	100.00%	1	100.00%	9	100.00%	0	0.00%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Number and Type of Public Schools
For the Year Ended June 30, 2011**

Type	Number
Elementary	2
Middle/Jr. High	2
Secondary	0
Combination	1
Total	5

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers
As of October 1, 2010**

	0-1 Yr	2-3 Yrs	4-10 Yrs	11-14 Yrs	15-19 Yrs	20-24 Yrs	25+ Yrs	Total
Assistant Principals	1	0	1	1	1	0	0	4
Principals	1	0	1	1	2	0	0	5
Classroom Teachers	89	16	18	6	2	1	5	117
Total	71	16	20	8	5	1	5	126

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Public School Staff Data
For the Year End June 30, 2011**

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salaries Including Extra Compensation	49,195	48,945
Average Classroom Teachers' Salaries Excluding Extra Compensation	48,354	48,098
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	118	117

Note: Figures reported include all sources of funding (i.e., federal, state and local) but exclude employee benefits.

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Class Size Characteristics
As of October 1, 2010**

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	32.47%	75	58.87%	136	8.66%	20	0.00%	0
Elementary/Activity Classes	28.57%	14	67.34%	33	4.09%	2	0.00%	0
Middle/Jr. High	49.67%	79	28.30%	45	17.61%	28	4.42%	7
Middle/Jr. High Activity Classes	10.00%	1	30.00%	3	30.00%	3	30.00%	3
High								
High Activity Classes								
Combination	61.54%	96	27.56%	43	10.80%	17	0.00%	0
Combination Activity Classes	78.80%	15	5.30%	1	10.60%	2	5.30%	1

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	0	0%	0	0%	0	0%	0	0%
Mastery	8	3%	1	0%	3	1%	1	0%
Basic	75	31%	58	24%	35	14%	45	18%
Approaching Basic	111	46%	76	32%	73	30%	83	34%
Unsatisfactory	47	20%	105	44%	134	55%	115	48%
Total	241	100%	240	100%	245	100%	244	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	0	0%	0	0%	0	0%	0	0%
Mastery	1	0%	0	0%	2	1%	2	1%
Basic	55	21%	59	23%	23	9%	24	9%
Approaching Basic	146	56%	94	36%	99	38%	86	33%
Unsatisfactory	59	23%	108	41%	140	52%	151	57%
Total	261	100%	261	100%	264	100%	263	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	0	0%	0	0%	0	0%	0	0%
Mastery	2	1%	1	1%	4	1%	1	1%
Basic	86	30%	64	22%	28	10%	28	10%
Approaching Basic	150	52%	99	34%	108	38%	64	22%
Unsatisfactory	49	17%	123	43%	147	51%	193	67%
Total	287	100%	287	100%	287	100%	286	100%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4								
Advance	0	0%	1	1%	0	0%	0	0%
Mastery	3	2%	5	3%	3	2%	2	1%
Basic	41	27%	30	19%	26	17%	27	18%
Approaching Basic	49	32%	49	32%	72	47%	61	40%
Unsatisfactory	61	39%	69	45%	53	34%	64	41%
Total	154	100%	154	100%	154	100%	154	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4								
Advance	0	0%	0	0%	0	0%	0	0%
Mastery	1	0%	2	2%	0	0%	0	0%
Basic	26	24%	25	22%	12	10%	17	14%
Approaching Basic	29	26%	31	28%	41	35%	31	27%
Unsatisfactory	56	50%	54	48%	63	55%	68	59%
Total	112	100%	112	100%	116	100%	116	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4								
Advance	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Mastery	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Approaching Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Unsatisfactory	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Total	N/A	0%	N/A	0%	N/A	0%	N/A	0%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**Graduation Exit Exam (GEE)
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts						Mathematics					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Mastery	1	2%	2	2%	0	0%	1	2%	1	1%	1	3%
Basic	14	26%	17	21%	9	21%	15	27%	23	27%	12	33%
Approaching Basic	14	26%	23	28%	9	21%	13	24%	15	18%	8	22%
Unsatisfactory	25	46%	40	49%	24	58%	26	47%	45	54%	15	42%
Total	54	100%	82	100%	42	100%	55	100%	84	100%	36	100%

District Achievement Level Results	Science						Social Studies					
	2011		2010		2009		2011		2010		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advance	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Mastery	3	5%	4	13%	2	4%	0	0%	0	0%	0	0%
Basic	14	21%	9	30%	10	20%	17	26%	11	38%	14	28%
Approaching Basic	21	32%	7	24%	15	29%	18	27%	9	31%	13	25%
Unsatisfactory	28	42%	10	33%	24	47%	31	47%	9	31%	24	47%
Total	66	100%	30	100%	51	100%	66	100%	29	100%	54	100%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**/LEAP Tests
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	0	0%	1	1%	1	1%	0	0%
Mastery	4	3%	4	3%	2	2%	5	4%
Basic	29	25%	33	29%	22	19%	31	27%
Approaching Basic	34	30%	31	27%	47	41%	33	29%
Unsatisfactory	48	42%	46	40%	43	37%	46	40%
Total	115	100%	115	100%	115	100%	115	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	0	0%	2	3%	0	0%	0	0%
Basic	18	25%	19	27%	17	24%	17	24%
Approaching Basic	23	32%	17	24%	23	32%	20	28%
Unsatisfactory	30	43%	33	46%	31	44%	34	48%
Total	71	100%	71	100%	71	100%	71	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	0	0%	0	0%	0	0%	3	2%
Mastery	0	0%	0	0%	3	2%	8	5%
Basic	53	36%	51	34%	37	25%	55	37%
Approaching Basic	56	38%	36	24%	69	46%	54	36%
Unsatisfactory	40	26%	62	42%	41	27%	30	20%
Total	149	100%	149	100%	150	100%	150	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	3	2%	0	0%	1	1%	1	1%
Basic	49	30%	51	32%	41	24%	61	36%
Approaching Basic	70	43%	58	36%	63	37%	37	22%
Unsatisfactory	41	25%	54	32%	64	38%	70	41%
Total	163	100%	163	100%	169	100%	169	100%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**/LEAP Tests
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	0	0%	1	1%	0	0%	0	0%
Mastery	4	4%	0	0%	0	0%	1	1%
Basic	22	23%	25	26%	21	22%	19	20%
Approaching Basic	21	22%	27	28%	38	40%	33	35%
Unsatisfactory	48	51%	42	45%	36	38%	42	44%
Total	95	100%	95	100%	95	100%	95	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	1	2%	0	0%	0	0%	0	0%
Mastery	2	3%	4	7%	1	2%	1	2%
Basic	15	25%	14	23%	8	13%	10	17%
Approaching Basic	25	42%	15	25%	27	45%	11	18%
Unsatisfactory	17	28%	27	45%	24	40%	38	63%
Total	60	100%	60	100%	60	100%	60	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	1	1%	0	0%	0	0%	0	0%
Mastery	3	2%	0	0%	2	1%	4	3%
Basic	38	27%	46	33%	29	21%	28	20%
Approaching Basic	46	33%	35	25%	44	32%	49	35%
Unsatisfactory	51	37%	57	42%	64	46%	58	42%
Total	139	100%	138	100%	139	100%	139	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2010		2010		2010		2010	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0%	1	0%	0	0%	0	0%
Mastery	3	1%	2	1%	0	0%	1	0%
Basic	69	34%	74	37%	33	16%	55	28%
Approaching Basic	87	43%	56	28%	87	43%	70	35%
Unsatisfactory	44	22%	69	34%	81	41%	74	37%
Total	203	100%	202	100%	201	100%	200	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2010		2010	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0%	0	0%
Mastery	0	0%	1	2%
Basic	9	24%	20	53%
Approaching Basic	21	55%	9	24%
Unsatisfactory	8	21%	8	21%
Total	38	100%	38	100%

See accompanying independent accountant's report on applying agreed-upon procedures

**Advance Baton Rouge
Baton Rouge, Louisiana**

**/LEAP Tests
For the Year Ended June 30, 2011**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Mastery	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Approaching Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Unsatisfactory	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Total	0	0%	0	0%	0	0%	0	0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Mastery	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Approaching Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Unsatisfactory	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Total	0	0%	0	0%	0	0%	0	0%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								
Advanced	0	0%	1	0%	0	0%	0	0%
Mastery	1	0%	2	1%	3	1%	0	0%
Basic	65	26%	91	36%	33	13%	22	9%
Approaching Basic	89	35%	58	23%	100	40%	89	37%
Unsatisfactory	98	39%	99	40%	113	46%	132	54%
Total	253	100%	251	100%	249	100%	243	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2009		2009		2009		2009	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	0	0%	0	0%	0	0%	0	0%
Mastery	2	1%	2	1%	1	0%	4	1%
Basic	65	22%	62	22%	44	16%	83	29%
Approaching Basic	116	40%	88	30%	120	42%	112	40%
Unsatisfactory	107	37%	139	47%	120	42%	88	30%
Total	290	100%	288	100%	265	100%	285	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2009		2009	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	0	0%	0	0%
Mastery	1	1%	2	2%
Basic	20	21%	17	18%
Approaching Basic	38	40%	19	20%
Unsatisfactory	37	38%	58	60%
Total	96	100%	96	100%

See accompanying independent accountant's report on applying agreed-upon procedures